

The Role of Education on Green Investment in *Pasar* Governance

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Abstract: The increased development and modernization in various sectors has driven public sector management to initiate a mutual partnership with private sector entities. Private sectors are expected to act as investors and bring professionalism in the development of *pasar*. However, the process has also made some of the administrators of traditional market to focus more on gaining profit and neglected the surroundings. This study aims to describe what factors that are necessary in achieving a good *pasar* governance. The research method applies in this study is a literature study and depth interview with multiple environmental education experts. The results of the study provide an illustration that in an effort to realize a good *pasar* governance, it is necessary to provide education on green investment.

1 INTRODUCTION

The existence of traditional indigenous *pasar* (*pasar*) in millennium era is decreasing (Purnomo et.al, 2016). *Pasar* are claimed to be no more able to meet merchants and consumers effectively and efficiently. Private modern *pasar* or online mall have become other alternatives used by merchants and customers to do trade transactions (Susilo; Indiastuti et.al, 2008)) Poor infrastructures and facilities have triggered merchants and consumers to leave *pasar* (Purnomo, et al 2016).

The shift of transaction from *pasar* to private managed modern *pasar* and/or virtual *pasar* has become an important note for Local Governments (Regency/City) in providing public services optimally to their citizens. This has encouraged the government to accelerate development involving private sectors to improve *pasar* facilities (Holidin and Handini, 2014). Private sector involvement in managing *pasar* has become a dilemma in realizing public service need. On one side, *pasar* infrastructure development can improve *pasar* facilities, but on the other side, private sectors are more concerned in gaining profits for short-run, putting aside sustainability development.

One of the impacts of private sectors in *pasar* development is the increase of *pasar* stall rental cost which is not affordable for most merchants. Hence,

welfare and economical improvement can only be felt by merchants with big capital. Moreover, there is lack of communication between management team/developer-merchants-consumers and government resulting in government *pasar* condition far beyond people's expectation. These conditions can only engender difficulties for *pasar* constructed even with luxurious infrastructures to attract merchants or consumers due to the high price of *pasar* stall or non-strategic location.

Researches Purnomo et.al (2016) and Sofia et.al (2015) have shown that government investment that puts forward environmental, social, and economical aspects has become a critical issue in realizing sustainability governance. Profit-oriented development will be considered a success for a short-term, but in long term, this will be a failure. Development that can support future generation's needs in clean and safe environmental is a sustainable development. However, numerous *pasar* developments and management in Indonesia involving private sectors have not focused on environmental aspect.

Awareness on the importance of green investment that considers environmental aspect in its development and management (Sofia et.al, 2015; Martinelli and Midtun, 2010) can be raised through good education process both formally and informally to all *pasar* stakeholders. Awareness on the

importance of green investment will encourage environmentally friendly *pasar* governance. Based on the above description, a study on green investment education at higher level discusses in detail important matters to be implemented in *pasar* management to realize environmentally friendly *pasar* is necessary.

Contributions of this study are: 1) earlier studies analyzing *pasar* governance have not included education aspect and the importance of green investment in *pasar* development and governance. Therefore, this study can complete the literature on these aspects; 2) this study aims to offer an insight for policy establishment for stakeholders in *pasar* development to put forward environmental aspect as a measure to realize sustainability governance.

2 THEORETICAL STUDY

2.1 Green Investment Education

Green investment is a process of funding in goods or services purchasing projects that consider business sustainability not only on short term projects, but also on long-term ones by paying attention on environmental aspect that can maintain their business. (Li et al, 2017; Stoever and Weche 2017). Environmental aspect is a crucial factor that must be considered by business actors because their enterprises shall be beneficial for all stakeholders including future generations who have the right to have clean and comfortable environment.

For a short term, enterprise operational process considering environmental aspect even further will need higher cost as a logical consequence. However, in a long term, the benefice that will be obtained by the enterprises will be greater compared to the cost spent because it will maintain the sustainability of their business. The awareness of the long-term benefice from enterprise's investment that is environmentally friendly may arise through education.

Green investment education encourages all stakeholders to understand the importance of allocating available resources to projects or works that pay greater attention to environmental aspect. Business actors' concern to the balance of ecosystem and comfortable environment is not easy to develop at once (Candamio et al, 2018). This awareness may arise if people around has provided them with these values since a long time, and this awareness will arise and be internalized if other people have collective understanding of these values.

Education of environment is important to be taught at early childhood to higher education level (Candamio et al, 2018) so that young generations who will be future leaders will always pay attention to their environment in economical decision making. Education of environment is not only needed for future investors who have sufficient fund to invest in projects/works. Education of environment is also for consumers so that they can think wisely in choosing products from suppliers who have high concern of environment. And if necessary, education of environment is also intended for government officials in local decision making encouraging sustainability governance.

2.2 *Pasar* Governance

Good governance is a series of process, habits, policies, and regulations implemented by an organization in directing, managing, and controlling the operation of the organization. Good governance in public sectors has become a concern of many parties because it is related to public infrastructures and facilities () One of these facilities is government-managed *pasar*. Governance of public sectors is not significantly different than that of private sectors the principles of good governance are transparency and accountability that must be met in managing public services.

The paradigm of public services is always identified as inefficiency, poor quality, complicated bureaucracy resulting in the new public management emphasizing effectivity, efficiency, and economization (Fatemi and Behmanesh, 2012). This concept started to develop in England, However, the development of this concept causes polemics, i.e., generalizing public services to meet efficiency causing public services to focus not to service quality but more to profit and loss experienced by the country. This concept is not relevant for some basic services such as health, education, and public space services. Government cannot operate like enterprises which are profit-oriented. Therefore, the new public governance has aroused to complete the concept of the new public management (Kapucu, 2008)

Government services in providing public space such as *pasar* shall also focus on long-term management. One of determining factors for continuity of a country is government projects that are concerned with environmental aspect to be able to provide clean and healthy environment for future generations. Awareness on the importance of green investment shall be implemented through formal and informal education. Formal education of environment

may start at early child hood education to high education level. Environment education at higher education can be focused on selecting government project investment that supports nature preservation also called as green investment education.

Behavioral Theory states that changes in one's attitude or decision is based on learning experiences and process. Therefore, environmental concerns are important to be anchored at higher education so that students, the future leaders, can take economical decisions that put forward environmental concern. Green investment education is important so that public services, especially *pasar* facilities and infrastructures can be well realized.

3 RESEARCH METHOD

This research uses qualitative method. To obtain a thorough overview on green investment education in providing *pasar* for public, researchers conducted a survey to several *pasar* managed by the government of the Province of West Java and deep interview to *pasar* management practitioners and experts in environment education. Data validity and reliability are tested using triangulation method, i.e., comparison between the results of observation, interviews and existing theories.

4 RESULTS AND DISCUSSION

Green investment education is necessary to arise awareness and deep understanding of all consumers, business actors, government officials, and other policy holders to create *pasar* with good governance and a *pasar* that pays attention to environmental aspects. Some important subjects that need to be informed in green investment education at higher education are:

4.1 Determining Appropriate *Pasar* Location through Socio-Cultural Approach

Determining *pasar* location is a classic problem faced by the government. On one side, the infrastructures and facilities of existing *pasar* are inadequate. Often, *pasar* are the cause of traffic jam due to their location that is nearby the roads, also called as traffic jam due to "spilled *pasar*". *Pasar* reallocation process sometimes causes polemics because it is not strategic and inaccessible, thus the probability of reallocation

failure is very high. Also, *pasar* reallocation does not consider social aspect, local community's cultural aspect, and environment.

Based on the result of depth interview and physical observation, it can be concluded that *pasar* location determination is important in improving *pasar* economy because inadequate *pasar* location can disinterest business actors and consumers to do transaction in the *pasar*. *Pasar* management's team unwillingness worsens this to select a location that pays attention to environmental aspects. For example, some *pasar* are found in former waste disposal site, water absorption is, or near watershed and settlement area. Therefore, green investment education shall provide understanding on the importance of *pasar* site selection that considers this socio-cultural aspect.

4.2 Environmentally Friendly *Pasar* Infrastructures and Facilities Improvement

Environmentally friendly *pasar* infrastructures and facilities shall be an important focus of all *pasar* stakeholders. Many *pasar* do not pay attention fully on cleanliness and environment. For example, many *pasar* have not had yet disposal procedures, good waste management, have not met spatial eligibility such as poor lighting, poor sanitation, practically no green open space causing it hot and uncomfortable for *pasar* users.

Based on the result of depth interview and physical observation, it can be concluded that *pasar* management team shall have high commitment to provide environmentally friendly infrastructures and friendly to create comfort and satisfaction for *pasar* users to do transactions in the *pasar*. However, in practice, *pasar* in Indonesia tend to be dirty and released unpleasant odor due to poor waste management. Humidity also causes waste in Indonesia gets rotten faster than waste in Europe causing unpleasant odor.

Excessive use of plastic shall be reduced by educating both merchants and consumers. Consumers shall use a shopping bag that can be re-usable. Reduction of plastic usage may enable to fasten waste management.

Good solid waste and waste management and improvement of adequate *pasar* infrastructures and facilities may encourage *pasar* economy. In the future, *pasar* are expected not only as a place to meet between consumers and merchants of vegetables, meat, and other basic needs. *Pasar* may also be a place to meet for youngsters to do their activities in the evening, or as a meeting place for business actors and other social communities, such as regular social gatherings.

4.3 Creating Effective Communication Media between Management-Merchants-Consumers

Communication process between management, merchants, and consumers have not run effectively making *pasar* unable to encourage local economy. Merchants have always been complaining about rental cost in *pasar* and the services that are not worth the price. High rental cost making merchants difficult to compete with modern *pasar* that offer better and more comfortable facilities. *Pasar* management have never thought to make a new breakthrough to improve sale, such as advertisement or organizing certain events to attract consumers directly.

Ineffective communication between merchants and consumers is also one of the cause of low sale. Indeed, one of the causes is merchants' capacity to communicate and to be friendly in serving consumers. Especially in certain hours, merchants are overwhelmed with the number of consumers. However, this will influence consumers' satisfactory, which in turn will impact on turnover.

Communication between merchants and consumers, and between consumers and management shall be improved by training, so that each party can improve better services, and in turn will improve their turnover. Education on aspects that improve consumers' satisfactory shall focus on creating good *pasar* governance.

4.4 Policy Synergy between Central Government-Provincial-Regency/City

Lack of policy integration of central government, provincial government, and regency/city government results in clash of policies. Sometimes, policies at local level are not in accordance with the direction and policies of central government. Continual policy changes make local governments difficult to adapt new policies set by central government. Changes in direction causes policy changes at central and local levels significantly. Therefore, it is necessary to synergize policies related to *pasar* management at local, provincial, and regency/city levels.

Based on the result of depth interview and physical observation, it can be concluded that government policies in *pasar* management at central, provincial, and regency/city level shall support each other. New policy establishment on *pasar* management shall consider existing policies in field. Shall there be significant policy changes, actions shall be expected to overcome the differences.

Policy establishment is expected to be planned for a long-term period by considering existing potential and resources. Policy changes that happen quickly and continually result in difficulties faced by local government in implementing policies set up by central government. Local government that has just understood and implemented a policy set up by central government must put an effort in adapting new policies if at the same time central government issues new policies. This causes the low quality in providing *pasar* services.

Another problem related to government policy is selecting the proper *pasar* developer. Government shall be able to select *pasar* developer that has commitment in maintaining and preserving natural environment, and not the one that is profit oriented. Fraudulent practices in selecting *pasar* developer shall be a special attention for *pasar* stakeholders. This is important to follow-up because shall there be any bribery between developer and government, it is certain that *pasar* development process may not run optimally. Indeed, profit earned by developer will be lower due to unnecessary bribery cost.

Education on synergetic policy preparation is an important study in green investment practices. All bureaucratic elements both at central and local level shall have collective understanding on policy establishment on *pasar* management team that integrate environmental aspect. Thus, shall there be understanding and awareness of this aspect is existent in future leaders, policy establishment of *pasar* management will pay attention on the need of clean nature and environment.

4.5 Risk Management of Pasar Management

Environmental uncertainty causes threat and disaster which can cause *pasar* operational process not working well as it should be. Disaster that often happens in *pasar* management is fire. Therefore, risk management process shall be applied in *pasar* to avoid disaster or at least minimize the disaster.

Based on the result of depth interview and physical observation, it can be concluded that *pasar* management has not focused on risk management. Existing *pasar* management is not preventive to minimize risk, but it is more to handle potential disaster. For example, electrical installation is not improved and verified regularly by management team causing fires due to short current electrical line that often happens. In addition, there is no hydrant facility and fire tube available at *pasar* area causing the potential damage due to fire is higher.

Merchants and *pasar* management team in field has never received training to respond on disaster. If

merchants understand well disaster training, it is expected that risk of damage due to disaster can be minimized because merchants have the understanding to respond disaster, thus responding fast in handling it.

4.6 Accountability and Financial Transparency Report in *Pasar*

Accountability and financial transparency report in *pasar* shall be an important aspect in teaching related to green investment because government report on *pasar* management regularly will encourage the government to continually put an effort in providing services optimally to the community. Indeed, published written report is expected to enable readers to be the parties controlling every policy and government policy implementation process.

Based on the result of depth interview and physical observation, it can be concluded that financial report transparency in *pasar* has not been implemented optimally because budget report and income realization and *pasar* purchases are not published in detail at technical implementation unit level of each *pasar*. With this publication, it is expected to enable public to know all activities that will be and have been conducted in *pasar* to preserve the environment.

Education on financial report mechanism and detailed activities per *pasar* should have been conducted by *pasar* management team so that this report can be published to *pasar* stakeholders. The measure in reporting on a regular basis will enable to encourage sustainability governance.

5 CONCLUSIONS

Achieving a good *pasar* governance requires education in green investment that focuses on: 1) determining suitable location for *pasar* with socio-cultural approach 2) improving environmentally friendly *pasar* infrastructures and facilities 3) create efficient communication system between manager-merchants-consumer; 4) policy synergy between Central Government-Provincial-Regency/City; 5) risk management of *pasar* management; and 6) financial accountability and transparency report in *pasar*.

This study aims to propose insights for *pasar*' stakeholders in policy making process for developing *pasar*. This research proves that green investment education is necessary at higher education level, such as to give understanding and awareness of the

importance of environmental aspect in *pasar* development and management by the government.

The limitation of this research is that it does not describe the implementation techniques of green investment education at higher education environment. Therefore, future research may include the procedures of green investment education at higher education level.

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